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SCE Application
CPCN for West of Devers Upgrade Project

ORA Position: The CPUC should deny SCE's CPCN Application for the West of Devers Upgrade Project ("WODUP") because the $1 billion project is not needed to support reliability or the Renewable Portfolio Standard (RPS) goals.

Background

SCE proposes to build the $1 billion West of Devers Upgrade Project to access renewable energy it claims is necessary to meet the state's goals.

WODUP is Not Needed to Meet RPS Goals or Reliability

The Existing Transmission Lines Support CPUC-Approved Power Purchase Agreements (PPAs)

- All renewable generators with PPAs have received Full Capacity Deliverability Status (FCDS) without the WODUP. [ORA Opening Brief, p.23; EH Vol.2, p. 293, lines 15-24]
- Interim upgrades on the West of Devers lines are permanent, and provide for sufficient capacity to accommodate the PPAs, including providing FCDS. [ORA Opening Brief, pp. 35 – 37, discussing: EH Vol. 2, p.264-267]
- FCDS is a Resource Adequacy criteria that should not be used to assess transmission need for renewables. [Exhibit 7, p.42-44]
  - Energy-Only resources are equally effective in meeting the state's policy goals.

The Most Up-to-Date Version of the RPS Calculator is the Best Decision Support Tool to Evaluate Transmission Need for Renewables

- The current RPS calculator shows that WODUP is not needed to meet either the 33% or 50% RPS goals. [ORA Slide 1]
  - SCE uses the *old* version of the RPS calculator to support its WODUP proposal, which heavily weighted PPAs that have since been canceled.

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WODUP is Not Needed for Reliability

- The current transmission system meets NERC and WECC standards without WODUP.

It is Unreasonable for Ratepayers to Pay $1 Billion for an Upgrade that is Not Needed

- SCE claims 3200 MW incremental transfer capability on the proposed project.
  - CAISO has indicated that the Interim Upgrades added 1,050 MW of incremental FCDS.
  - If WODUP is constructed, the Interim Upgrades would be removed and their incremental capacity lost and 2,000 MW line[1] of FCDS would be added by WODUP.
  - Accordingly, the proposed Project only nets 950 MW.
- This results in a cost of $1 million / MW, making WODUP one of the most expensive transmission projects proposed for accessing renewable resources. [See ORA Slide 2]

Other issues…

If the CPUC Determines there is Need for WODUP, the Environmentally Superior Alternative Must be Accepted

- CEQA requires that the CPUC must use the environmentally superior alternative unless it is legally, economically, or technically infeasible. [Pub. Res. Code §21061.1; *Uphold Our Heritage v. Town of Woodside (Jobs)* (2007) 147 Cal.App.4th 587, 603; *Alliance of Small Emitters/Metals Industry v. South Coast Air Quality Mgt. Dist.* (199&) 60 Cal.App.4th 55.]
- CEQA determined the Phased Build is the environmentally superior alternative.
- The proceeding record does not support a finding that the Phased Build is infeasible.

The CPUC Should Not Speculate on the Likelihood of the Morongo Tribe's Approval for a Replacement Right-of-Way Agreement

- The Final Environmental Impact Report (FEIR) found that resources to support WODUP would not likely be developed for the next ten years, hence the entire Project is not currently needed. [FEIR Section C, p.23]
- It is speculative to determine that WODUP will ***ever*** be needed.
- The CPUC cannot allow a third party to determine the outcome of the CPCN based on a right-of-way. [*People ex rel. Public Util. Com. V. Ryerson* (1966) 241 Cal.App.2d 115, 122]

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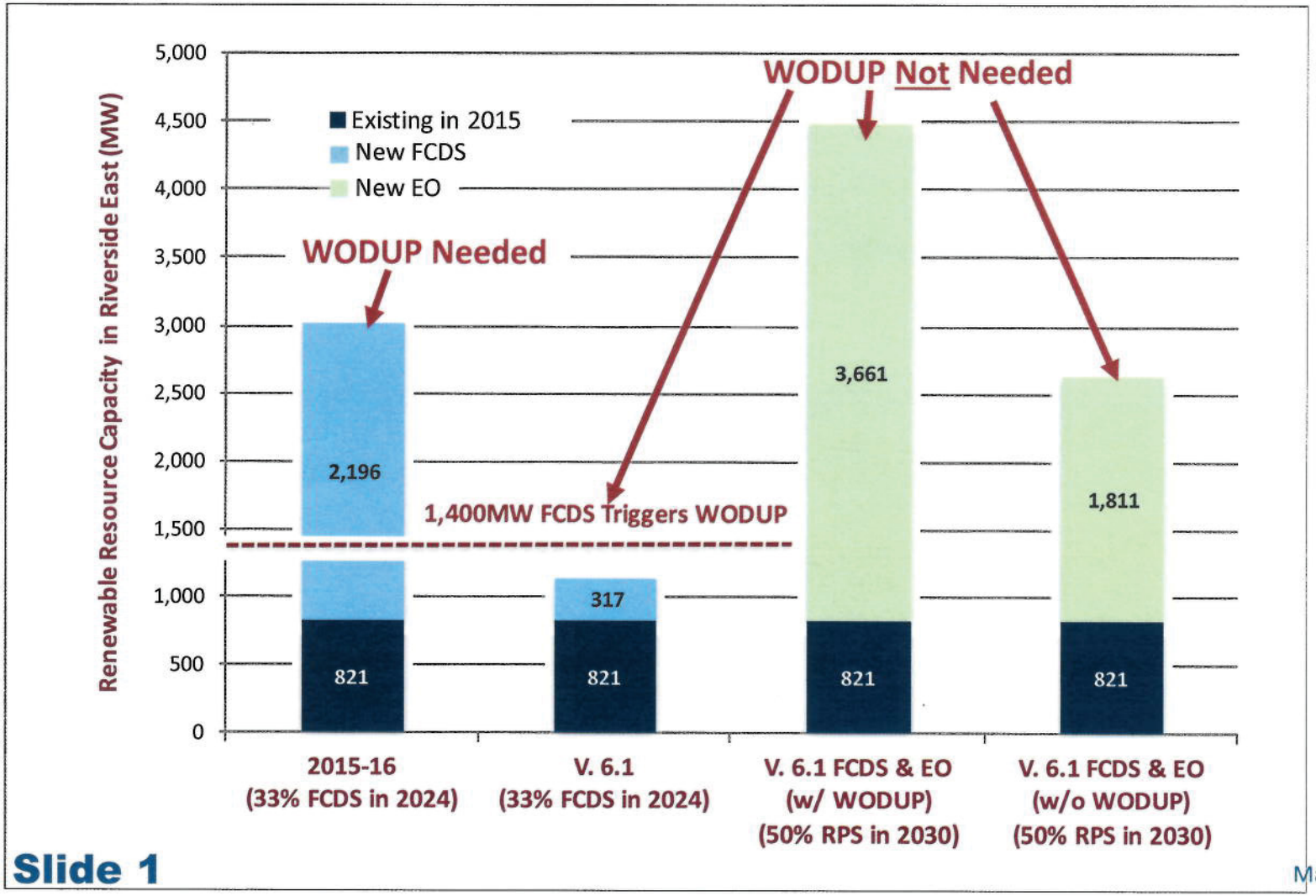
[1] Exh. 15, Attachment 3, Response 5.2, ISO Response to ORA First Set of Data Requests.

WODUP is Not Needed Based Upon the Latest RPS Calculator



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WODUP Is Expensive

Comparison of Cost of WODUP vs. Other Renewable Projects

Table 1

Construction Cost Per MW Comparison

Incremental FCDS is only 950 MW

Project	Construction Cost *(2015$, millions)*	Net New Capacity (MW)	Construction Cost / MW *(2015$)*	
EITP	$ 338	1,400	$ 241,477	
WOD Upgrade Project	$ 992	3,200	$ 310,149	$1,044,211
Devers-Colorado River (formerly DPV2)	$ 804	1,400	$ 574,465	
TRTP 4-11	$ 2,595	3,800	$ 682,992	
Sunrise	$ 1,611	1,700	$ 947,743	
TRTP 1-3	$ 828	700	$ 1,182,922	

SCE Opening Brief p. 31 Table 1

Combined TRTP $760,667

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